

GAAP Statement of Operations - Quarterly

	QTD	QTD	QTD	QTD	QTD	QTD	QTD	QTD	QTD
<i>(unaudited)</i> <i>(in thousands, except share and per share amounts)</i>	June 30, 2018	March 31, 2018	December 31, 2017	September 30, 2017	June 30, 2017	March 31, 2017	December 31, 2016	September 30, 2016	June 30, 2016
Revenue	\$ 32,660	\$ 31,445	\$ 34,105	\$ 30,097	\$ 30,004	\$ 28,329	\$ 31,763	\$ 27,992	\$ 27,098
Cost of revenue (1) (2) (3)	6,975	7,353	6,953	7,309	7,144	7,696	7,891	7,704	7,733
Gross profit	25,685	24,092	27,152	22,788	22,860	20,633	23,872	20,288	19,365
Operating expenses (1) (2):									
Sales and marketing (3)	15,974	14,890	15,350	14,805	15,003	15,185	12,680	12,931	14,873
Research and development	5,737	5,902	5,990	5,760	5,147	4,971	4,659	4,512	4,410
General and administrative	6,708	6,451	6,248	6,344	6,678	8,530	6,311	5,525	6,822
Total operating expenses	28,419	27,243	27,588	26,909	26,828	28,686	23,650	22,968	26,105
(Loss) income from operations	(2,734)	(3,151)	(436)	(4,121)	(3,968)	(8,053)	222	(2,680)	(6,740)
Other income (expense):									
Interest income (expense), net	106	125	73	67	54	28	10	11	(1)
Other income (expense), net	(1)	(19)	(23)	36	13	57	36	90	(8)
Total other income (expense)	105	106	50	103	67	85	46	101	(9)
(Loss) income before income taxes	(2,629)	(3,045)	(386)	(4,018)	(3,901)	(7,968)	268	(2,579)	(6,749)
Income tax expense (benefit)	135	112	75	37	84	88	(5,567)	(27)	(22)
Net (loss) income	\$ (2,764)	\$ (3,157)	\$ (461)	\$ (4,055)	\$ (3,985)	\$ (8,056)	\$ 5,835	\$ (2,552)	\$ (6,727)
Net (loss) income per share:									
Basic	\$ (0.10)	\$ (0.12)	\$ (0.02)	\$ (0.15)	\$ (0.15)	\$ (0.31)	\$ 0.23	\$ (0.10)	\$ (0.26)
Diluted	\$ (0.10)	\$ (0.12)	\$ (0.02)	\$ (0.15)	\$ (0.15)	\$ (0.31)	\$ 0.21	\$ (0.10)	\$ (0.26)
Weighted average common shares outstanding:									
Basic	27,180,435	26,739,331	26,583,657	26,439,830	26,380,031	26,056,881	25,878,260	25,723,749	25,520,847
Diluted	27,180,435	26,739,331	26,583,657	26,439,830	26,380,031	26,056,881	27,577,027	25,723,749	25,520,847
(1) Includes stock-based compensation as follows:									
Cost of revenue (3)	\$ 92	\$ 217	\$ 87	\$ 298	\$ 239	\$ 327	\$ 344	\$ 376	\$ 384
Sales and marketing (3)	728	752	978	931	1,172	746	1,098	1,115	1,327
Research and development	355	649	601	588	503	568	477	496	546
General and administrative	1,141	1,115	1,149	1,023	1,454	1,283	1,136	878	1,660
Total stock-based compensation	\$ 2,316	\$ 2,733	\$ 2,815	\$ 2,840	\$ 3,368	\$ 2,924	\$ 3,055	\$ 2,865	\$ 3,917
(2) Includes depreciation and amortization as follows:									
Cost of revenue (3)	\$ 875	\$ 877	\$ 920	\$ 949	\$ 1,066	\$ 1,084	\$ 1,165	\$ 1,139	\$ 1,176
Sales and marketing (3)	214	220	227	267	256	248	253	236	249
Research and development	90	98	100	102	111	111	113	111	112
General and administrative	300	285	290	287	270	290	346	420	423
Total depreciation and amortization	\$ 1,479	\$ 1,480	\$ 1,537	\$ 1,605	\$ 1,703	\$ 1,733	\$ 1,877	\$ 1,906	\$ 1,960

Non-GAAP Statement of Operations - Quarterly (see Non-GAAP reconciliation on following page)

	QTD	QTD	QTD	QTD	QTD	QTD	QTD	QTD	QTD
<i>(unaudited)</i> <i>(in thousands)</i>	June 30, 2018	March 31, 2018	December 31, 2017	September 30, 2017	June 30, 2017	March 31, 2017	December 31, 2016	September 30, 2016	June 30, 2016
Revenue	\$ 32,660	\$ 31,445	\$ 34,105	\$ 30,097	\$ 30,004	\$ 28,329	\$ 31,763	\$ 27,992	\$ 27,098
Cost of revenue (3)	6,883	7,136	6,866	7,011	6,905	7,369	7,547	7,328	7,349
Gross profit	25,777	24,309	27,239	23,086	23,099	20,960	24,216	20,664	19,749
Operating expenses:									
Sales and marketing (3)	15,246	14,138	14,372	13,874	13,831	14,439	11,582	11,816	13,546
Research and development	5,382	5,253	5,389	5,172	4,644	4,403	4,182	4,016	3,864
General and administrative	5,567	5,336	5,099	5,321	5,224	4,708	5,175	4,647	5,162
Total operating expenses	26,195	24,727	24,860	24,367	23,699	23,550	20,939	20,479	22,572
(Loss) income from operations	(418)	(418)	2,379	(1,281)	(600)	(2,590)	3,277	185	(2,823)
Other income (expense):									
Interest income (expense), net	106	125	73	67	54	28	10	11	(1)
Other income (expense), net	(1)	(19)	(23)	36	13	57	36	90	(8)
Total other income (expense)	105	106	50	103	67	85	46	101	(9)
(Loss) income before income taxes	(313)	(312)	2,429	(1,178)	(533)	(2,505)	3,323	286	(2,832)
Income tax expense (benefit)	135	112	75	37	84	88	(5,567)	(27)	(22)
Net (loss) income	\$ (448)	\$ (424)	\$ 2,354	\$ (1,215)	\$ (617)	\$ (2,593)	\$ 8,890	\$ 313	\$ (2,810)

GAAP to Non-GAAP Reconciliation - Quarterly

	QTD	QTD	QTD	QTD	QTD	QTD	QTD	QTD	QTD
	June 30, 2018	March 31, 2018	December 31, 2017	September 30, 2017	June 30, 2017	March 31, 2017	December 31, 2016	September 30, 2016	June 30, 2016
<i>(unaudited)</i> <i>(in thousands)</i>									
GAAP Gross profit as reported	\$ 25,685	\$ 24,092	\$ 27,152	\$ 22,788	\$ 22,860	\$ 20,633	\$ 23,872	\$ 20,288	\$ 19,365
Add: Stock-based compensation - Cost of revenue (3)	92	217	87	298	239	327	344	376	384
Non-GAAP Gross profit	\$ 25,777	\$ 24,309	\$ 27,239	\$ 23,086	\$ 23,099	\$ 20,960	\$ 24,216	\$ 20,664	\$ 19,749
GAAP (Loss) income from operations as reported	\$ (2,734)	\$ (3,151)	\$ (436)	\$ (4,121)	\$ (3,968)	\$ (8,053)	\$ 222	\$ (2,680)	\$ (6,740)
Add: Stock-based compensation - Cost of revenue (3)	92	217	87	298	239	327	344	376	384
Add: Stock-based compensation - S&M (3)	728	752	978	931	1,172	746	1,098	1,115	1,327
Add: Stock-based compensation - R&D	355	649	601	588	503	568	477	496	546
Add: Stock-based compensation - G&A	1,141	1,115	1,149	1,023	1,454	1,283	1,136	878	1,660
Add: One-time charge for VDAs related to sales taxes	—	—	—	—	—	2,539	—	—	—
Non-GAAP (Loss) income from operations	\$ (418)	\$ (418)	\$ 2,379	\$ (1,281)	\$ (600)	\$ (2,590)	\$ 3,277	\$ 185	\$ (2,823)
GAAP Net (loss) income as reported	\$ (2,764)	\$ (3,157)	\$ (461)	\$ (4,055)	\$ (3,985)	\$ (8,056)	\$ 5,835	\$ (2,552)	\$ (6,727)
Add: Stock-based compensation - Cost of revenue (3)	92	217	87	298	239	327	344	376	384
Add: Stock-based compensation - S&M (3)	728	752	978	931	1,172	746	1,098	1,115	1,327
Add: Stock-based compensation - R&D	355	649	601	588	503	568	477	496	546
Add: Stock-based compensation - G&A	1,141	1,115	1,149	1,023	1,454	1,283	1,136	878	1,660
Add: One-time charge for VDAs related to sales taxes	—	—	—	—	—	2,539	—	—	—
Non-GAAP Net (loss) income	\$ (448)	\$ (424)	\$ 2,354	\$ (1,215)	\$ (617)	\$ (2,593)	\$ 8,890	\$ 313	\$ (2,810)

(3) Certain prior period amounts have been reclassified to conform to current period presentation. These reclassifications had no impact on reported (loss) income from operations or net (loss) income for the period.